BEFORE THE ARKANSAS MANUFACTURED HOME COMMISSION IN THE MATTER OF BENEFICIAL HOMES, INC.

ORDER

On June 9, 2015, the Arkansas Manufactured Homes Commission ("Commission") held a hearing pursuant to the Administrative Procedure Act, Ark. Code Ann. 25-15-201 et seq., upon appeal by Beneficial Homes, Inc. (hereinafter "Beneficial") from the decision of the Commission's Executive Director to deny Beneficial's request for licensure. Based on its consideration of the testimony and other evidence presented at the hearing, the Commission hereby makes the following Findings of Fact, Conclusions of Law, and Order:

FINDINGS OF FACT

- A.1. Beneficial Homes, Inc., of DeSoto, Missouri, is not a licensed retailer of manufactured homes in the State of Arkansas, nor has it been licensed at any time in the past.
 - A.2. Beneficial does not have a physical location in the State of Arkansas.
- A.3. On March 19, 2015, Aaron Howard, the Commission's Executive

 Director, received a copy of a purchase agreement for a manufactured home located in

 Conway, Arkansas. The home was to be bought by an Arkansas resident from

 Beneficial.
- A.4. The information received by Mr. Howard also contained an Internet advertisement by Beneficial for the sale of manufactured homes in Arkansas within the following Arkansas cities: Austin, Bearden, Conway, Hughes, Lexa, Perryville, Piggott, Warren, and West Helena.

- A.5. On March 20, 2015, Mr. Howard wrote Beneficial a letter stating that Beneficial was in violation of the Commission's laws and that Beneficial must stop all sales of and offers to sell any manufactured homes within Arkansas until it obtained an Arkansas retailer's license.
- A.6. On March 23, 2015, a representative of Beneficial contacted the Commission to inquire about becoming a licensed Arkansas retailer.
- A.7. On April 27, 2015, Mr. Howard called a special meeting of the Commission and asked the Commissioners to determine whether the applicable statute, Ark. Code Ann. § 20-25-106(a)(2)(A) and (B), requires that Beneficial's application for licensure in the State of Arkansas be denied because Beneficial does not have a physical location in Arkansas. After a review of the statute and rules and discussion, the Commission determined that the request must be denied because Beneficial does not have a physical presence in the State of Arkansas. Therefore, Beneficial Homes, Inc. does not meet the requirements set forth in Section 302(A)(3) of the rules and regulations.
- A.8. On April 27, 2015, the Commission issued a determination letter to Beneficial informing it of the Commission's determination.
- A.9. On May 1, 2015, the Commission received an email from Beneficial requesting an appeal of the determination that licensure as a retailer requires a presence within the state of Arkansas.

CONCLUSIONS OF LAW

C.1. Arkansas Code Ann. § 20-25-106(a)(2) and Commission Rule 302 require that a retailer have a physical presence within the state of Arkansas before it can be licensed by the Commission.

<u>ORDER</u>

Since Beneficial Homes, Inc. does not have a physical presence within the State of Arkansas, it does not meet the requirements for an Arkansas retailer's license.

ARKANSAS MANUFACTURED HOME COMMISSION

By: AARON HOWARD, EXECUTIVE DIRECTOR

Date: 12 June 2015

Certificate of Service

I, Aaron Howard, Executive Director of the Arkansas Manufactured Homes Commission, do hereby swear and affirm that a true and correct copy of the above was sent by U.S. Mail to the following addresses with proper postage affixed on this _______ day of June, 2015.

Rick Baldridge Beneficial Homes, Inc. 3200 Long Rd. DeSoto, MO 63020

Aaron Howard, Executive Director

BEFORE THE ARKANSAS MANUFACTURED HOME COMMISSION

IN THE MATTER OF Hillside Bayou Homes, LLC Case No. 20201006

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

A hearing on the above-referenced matter was held before the Arkansas Manufactured Home Commission ("Commission") on October 6, 2020 at the Department of Labor and Licensing, 900 W. Capitol, Little Rock, Arkansas, 72201.

Respondents appeared in person via Zoom *pro se*. Assistant Attorney General Juliane Chavis appeared on behalf of the Commission.

Finding proper notice had been given Respondents, the Commission, from all the evidence presented, makes the following Findings of Fact, Conclusions of Law and Order:

FINDINGS OF FACT

- F-1. On the 17th of September 2020, the Commission received an application for Hillside Bayou Homes to become a licensed retailer of manufactured homes in the State of Arkansas.
- F-2. The Applicants, Nalani and Eric Pavlina, do not meet the requirements to be a licensed retailer as set forth in Section 302(A)(2)(i) of the Commission's Rules, in that the Applicants do not have at least two years' experience as a licensed retailer or salesperson, working for a licensed retailer, in this state or any other jurisdiction.

F-3. On the 17th of September 2020, the Applicant requested a waiver of Section 302(A)(2)(i) of the Rules Including General Installation & Anchoring Specifications, in accordance with Section 302(A)(6) of the Rules Including General Installation & Anchoring Specifications, which states, "An applicant for original or renewal certification may request a waiver of any of the requirements for certification set forth in this Section. The Commission may grant an applicant's request for a waiver of any of the requirements set forth in this section, other than a requirement mandated by statute, following a hearing before the Commission and approval of the waiver request by the Commission."

CONCLUSIONS OF LAW

C-1. Based upon the facts as set forth in Finding of Fact # 2, the Commission denied the Applicants' request for a waiver to be licensed as a retailer as requested pursuant to Commission Rules, Sections 302(A)(2)(i) and 302(A)(6).

ORDER

The Commission denies the Applicants' request for a waiver to be licensed as a retailer.

Pursuant to the Arkansas Administrative Procedure Act, Ark. Code Ann. § 25-15-212, Respondent may petition for judicial review of this decision by filing a petition in the Circuit Court in the county in which he resides or does business or in the Circuit Court of Pulaski County within thirty (30) days after service of this order.

IT IS SO ORDERED this __16th day of October . 2020.

ARKANSAS MANUFACTURED HOME COMMISSION

Aaron Howard, Director

Arkansas Manufactured Home Commission

CERTIFICATE OF SERVICE

I, Aaron Howard, Director of the Arkansas Manufactured Home Commission, do hereby certify that I have served a copy of these Findings of Fact, Conclusions of Law and Order by emailing a copy of same on this <u>16th</u> day of October 2020 to the following: Nalani and Eric Pavlina, hillsidebayouhomes@gmail.com.

Aaron Howard, Director

Arkansas Manufactured Home Commission

BEFORE THE ARKANSAS MANUFACTURED HOME COMMISSION

In the Matter of Hillside Bayou MHP, LLC, Hillside Bayou Homes, LLC, Eric Pavlina, and Nannette Pavlina Respondent

202103.09

CONSENT AGREEMENT

On December 30, 2020, Respondent, Hillside Bayou MHP, LLC, filed an application with the Arkansas Manufactured Home Commission for a manufactured home retailer's license and a request for waiver of the Commission's requirements for the issuance of a retailer's license. In lieu of a formal hearing on these issues, and in the interest of prompt and speedy settlement of the above-captioned matter, consistent with the public interest, statutory requirements, and the responsibilities of the Commission, the undersigned parties enter into this Consent Agreement as a final disposition of this matter.

Respondent and the Commission agree to the following:

1. Respondent, having read the proposed Consent Order, acknowledges its right to consult with counsel, and enters into this Consent Order on Respondent's own volition and without any reliance upon any representations by the Commission or any officer, employee, agent or other representative thereof, other than expressly set forth herein.

- 2. Respondent hereby waives any further procedural steps including, without limitation, Respondent's right to a hearing and all rights to seek judicial review or to otherwise challenge or contest the validity of this Consent Order.
- 3. Respondent agrees that the Commission will review and determine whether to approve this Consent Order. Furthermore, Respondent agrees that should this Consent Order not be approved by the Commission, the presentation and consideration of this Consent Order by the Commission shall not unfairly or illegally prejudice the Commission or any of its members from further participation, consideration or resolution of the matters involved herein at any subsequent hearing.
- 4. Respondent understands and agrees that approval and entry of this Consent Order shall not preclude additional proceedings by the Commission against Respondent for acts or omissions not specifically addressed herein.
- 5. Respondent understands and acknowledges that this Consent Order and the Commission's records concerning this matter are public records and are available to the public pursuant to the Freedom of Information Act, Ark. Code Ann. § 25-19-101, et seq.
- 6. This agreement shall not become a valid and enforceable order of this Commission unless and until accepted and approved by the Commission at an

official meeting and executed by the Chairman of the Commission or by his designee.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

The Respondent and Commission agree to the following Findings of Fact and Conclusions of Law:

- 1. Respondent shall be granted a waiver to be licensed as a manufactured home retailer for the sole purpose of selling manufactured homes to residents or intended residents of the Hillside Bayou Mobile Home Park located at 8105 Old Tom Box Road, Jacksonville, Pulaski County, Arkansas.
- 2. Hillside Bayou Mobile Home Park is owned by Hillside Bayou MHP, LLC, which has common ownership with Respondent.
- 3. On December 30, 2020, Respondent filed an application for a retailer's license and a request for waiver of the Commission's requirements for the issuance of a retailer's license subject to appropriate conditions to restrict Hillside Bayou's sales to residents or intended residents of the Hillside Bayou Mobile Home Park.
- 4. Respondent's December 30, 2020 application meets the requirements for issuance of a manufactured home retailer's license except that Respondent has not met the two-year experience requirement of Section 302.A.2.(i) of the Commission's Rules. The Commission has the authority to waive the

requirements of Rule 302.A.2(i) pursuant to Commission Rule 302.A.6. Due to the limited scope of the Respondent's proposed use of the retailer's license, as set out herein, the two-year experience requirement is hereby waived.

5. Due to the unique circumstances presented by Respondent's application for a restricted license and limited waiver of the Commission's rules, it is in the public interest and is consistent with the Commission's governing statutes and regulations to resolve this matter by issuing a restricted retailer's license to Respondent.

ORDER

THEREFORE, IT IS SO ORDERED THAT:

- 1. The Commission waives the requirement in Commission Rule
 302.A.2.(i) for two years of retail experience with respect to Respondent and issue
 a manufactured home retailer's license and a retailer's license number to
 Respondent subject to the following conditions and restrictions:
 - Sales of manufactured homes by Respondent may only be made to persons who reside in or intend to reside in the Hillside Bayou Mobile Home Park;
 - b. Each purchaser of a manufactured home from Respondent must have a written lot lease with Hillside Bayou Mobile Home Park;

- c. Each new manufactured home sold by Respondent must be delivered to and installed in Hillside Bayou Mobile Home Park;
- d. Each new manufactured home sold by Respondent must comply with the Commission's rules concerning installation of a new manufactured home;
- e. Respondent shall otherwise comply with the requirements of the Commission's rules applicable to retailers and salespersons.

IT IS FURTHER ORDERED that the Commission shall retain jurisdiction of this matter for purposes of implementing and enforcing this Consent Order. Respondent's failure to comply with any term or condition of this Consent Order or the Commission's Rules shall constitute grounds to impose disciplinary action pursuant to the Arkansas Manufactured Homes Standards Act, Ark. Code Ann. §20-25-101, et seq., or the Commission's Rules.

IT IS SO ORDERED.

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| AGREED this 3 day of 9 | 2021. |
| Hillside Bayou Homes, LLC Respondent By: | M'ant XI. Ali |
| Nannette Pavlina Managing Member | Mark Allison Attorney for Respondent |
| Date:March 9, 2021 | Date: Mont 9, 222! |

| AAA | |
|----------------------------|--|
| Kevin Hawks, Chairman | |
| ARKANSAS MANUFACTURED | |
| HOME COMMISSION | |
| | |
| Date: 3/9/2(| |
| | |
| Juhane Chairs | |
| Juliane Chavis | |
| Assistant Attorney General | |
| Date: 3/9/21 | |